

Factors Influencing: The Extent of Brand Loyalty of Toothpaste Users in Haryana

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Abstract: Brand Loyalty is determined by several distinct psychological processes of the consumers and entails multivariate measurements. Product features (Germ fight features / Colour) is one of the most important factors that affect brand loyalty. The relationship between the availability of the toothpaste and the extent of brand loyalty was also found to be important. Brand Loyalty of toothpaste users in Haryana is moderately high. 63% of the consumers are brand loyal. On the contrary only 9% of the consumers are switchers and the rest of the users are loyal among few brands. 100% of softcore brandloyals and switchers told if the toothpaste are not available they will choose any other brands without any consideration. 75% of the customers are influenced by the brand name and perceived brand image of the toothpaste. Brand Loyalty also depends upon the influence of family members. 62.96% of the consumers were found to be influenced by the family members in buying their toothpaste brands. The effect of sales promotion is different among different brand loyal groups. Hardcore brandloyals are very less interested in sales promotion while softcore brandloyals and switchers are very much interested. Interestingly price and advertisements have no significant effect on the extent of brand loyalty.

I. INTRODUCTION

The success of a firm depends largely upon its capability to attract consumers towards its brands. In particular, it is critical for the survival of a company to retain its current customers, and to make them loyal to the brand. To a large extent, the success of most businesses depends upon ability to create and maintain customer loyalty. In the first place, selling to brand loyal customers is far less costly than converting new customers. In addition, brand loyalty provides firm with tremendous competitive weapons. Brand loyal consumers are less price sensitive. A strong consumer franchise gives manufacturers leverage with retailers. And, loyalty reduces the sensitivity of consumers to market place offerings, which gives the the firm time to respond to competitive moves. In general, brand loyalty is a reflection of brand equity, which for many businesses is the largest single asset. Brand equity reflects the value added to a product that results from brand knowledge. A loyal customer franchise is the most important source of competitive advantage.

II. RESEARCH OBJECTIVES

- A) Broad Objective
To find out the status of Brand Loyalty of toothpaste users in Haryana:
- B) Specific Objectives
- 1) To find out the level of brand loyalty for toothpaste.
 - 2) To find out the factors that affect brand loyalty of toothpaste.
 - 3) To find out the impacts of those factors on brand loyalty.

III. LITERATURE REVIEW

A) Conceptual Framework

Brand Loyalty is the consumer's conscious or unconscious decision, expressed through intention or behaviour, to repurchase a brand continuously. Brand loyalty occurs when a customer chooses to repurchase a product produced by the same company instead of a substitute product produced by a competitor. For example, some people will always buy Coke at the grocery store, while other people will always purchase Pepsi. Brand Loyalty is based on perception. A consumer will consistently purchase the same product because she perceives it as the superior product among the choices available. Brand loyalty usually relates to a product, not to a company.

Brand loyalty is important for several reasons. First, it reduces the cost of production because the sales volume is higher. Second, companies with brand-loyal customers do not have to incur as much money on marketing the product, which allow the company to either retain more earnings or to invest resources elsewhere. Third, companies may use premium pricing that will increase profit margins. Finally, loyal customers tend to recommend products that they like.

Brand Loyalty is viewed as multidimensional construct. It is determined by several distinct measurements . Customer's Perceived value, Brand trust , Customer satisfaction , repeat purchase behaviour and Commitment are found to be the key factors influencing brand loyalty . Commitment and repeated purchase behaviour are considered as necessary conditions for brand loyalty followed by Perceived value , satisfaction and Brand Trust. Brand Loyalty is more than simple repurchasing. however, customers may repurchase a product due to situational constraints(such as vendor lock-in), a lack of viable alternatives, or out of convenience(Jones et al.,2002). Such loyalty is referred to as "spurious loyalty". True brand loyalty exists when customers have a high relative attitude toward the brand which is then exhibited through repurchase behaviour (Reichheld and Earl,1990), (Reichheld,1993).

A second dimension, however, is whether the customer is committed to the brand . Philip kotler, again, defines four patterns of behaviour:

- 1) Hardcore Loyals- who buy the brand all the time.
- 2) Softcore Loyals- loyal to two or three brands.
- 3) Shifting Loyalty- moving from one brand to another.
- 4) Switchers- with no loyalty (possibly 'deal -prone', constantly looking for bargains or 'vanity prone', looking for something different).

It has been suggested that loyalty includes some degree of pre-dispositional commitment toward a brand. The most conceptual definition of brand loyalty was presented by Jacoby and Chestnut in 1978. There are many operational definitions of brand loyalty. In general, brand loyalty can be defined as the strength of preference for a brand compared to other similar available options. This is often measured in terms of repeat purchase behaviour or price sensitivity. however, Bloemer and Kasper (1995) defined the true Brand Loyalty as having six necessary conditions which are: 1) the Biased (i.e. non -random); 2) behavioural response (i.e. purchase); 3) expressed over time; 4) by some decision – making unit; 5) with respect to one or more alternative brands out of a set of such brands ;and 6) a function of psychological processes.

Famous brand names can disseminate product benefits and lead to higher recall of advertised benefits than non famous brand names (Keller, 2003) .Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs .

Promotion is a marketing mix component which is a kind of communication with consumers . Promotion includes the use of advertising ,sales promotions, personal selling and publicity. Advertising is a non- personal presentation of information in mass media about a product, brand, company or store. It greatly affects consumer's images, beliefs and attitudes towards products and brands, and in turn ,influences their purchase behaviours(Evans et al.,1996).

To find out the factors which affect brand loyalty ,we are going to take seven factors initially. They are:

- 1) Product Features
- 2) Sales Promotion
- 3) Advertisements
- 4) Availability
- 5) Brand Image
- 6) Price
- 7) Family Influence

Though Krishnamurthi and Raj (1991) has showed brand loyal consumers are less price sensitive, we have included price in the factors , because Lau et al. (2006) has taken price as a factor. It might also be found that in case of brand loyalty of toothpaste users that they are not price sensitive. But, we want to test it in the context of Haryana.

B) Hypothesis

Null Hypothesis 1)Product Features of toothpaste do not affect brand loyalty.

Null Hypothesis 2) Sales Promotion Activities do not affect brand loyalty

Null Hypothesis 3) Advertisements do not affect brand loyalty.

Null Hypothesis 4) Family influence do not affect buying decision of toothpaste.

Null Hypothesis 5 Availability of toothpaste do not affect brand loyalty.

Null Hypothesis 6) Price of toothpaste does not affect brand loyalty.

Null Hypothesis 7) Brand name of toothpaste affects brand loyalty.

IV . RESEARCH METHODS

A) Data Sources

The primary source of data for the research was the shoppers buying from Market of Kacha Beri Road Rohtak and students of MDU.

I) Primary Sources

- a) Focused Group Discussion
- b) Questionnaire survey
- c) Direct observation
- d) In-depth Interview

II) Secondary Sources

- a) Related journals and articles
- b) Internet
- c) Previous works on the related issue.

B) Methods of Data Collection

A questionnaire survey was conducted to collect the empirical data in order to statistically test the hypothesis. The questionnaire contained all together 10 questions.

Any respondent has to answer highest 8 questions. First 8 questions are for hardcore brand loyals. If anybody is softcore brandloyal then she or he has to answer question no 9 instead of question no 8. Similarly question 10 will be answered instead of 8 for brand switchers.

The survey method was convenience survey. Although a random survey would be more preferable to convenience survey, but lack of necessary demographic data and lists needed to conduct a random survey and lack of time , made the choice of convenience survey inevitable.

In depth interview was conducted to the get to know about the real scenario of the users brand loyalty . It was also convenient basis. From market, few respondents agree for in depth interview.

Observation technique was also used by standing beside local stores. When users come to the store to buy toothpaste, what they ask for and what criterion they focus on.

V. DESCRIPTION OF THE SAMPLES

a) Sample Size

Total survey respondents were 108.

b) Sample Selection

A total of 108 respondents were surveyed for this purpose using a non-probability sampling technique .The respondents were chosen on the basis of accessibility and convenience. A questionnaire was developed for this purpose which includes checklists, dichotomous questions ,and open ended questions.

From the observation, it is seen that females are mostly the buyers of toothpaste.

So, in the sample , female respondents are majority.At the time of sample collection ,we tried to get middle aged population more. But at the same time , different age groups are also covered . Similarly different income groups are also covered.

c) Profile of the sample

The distribution of respondents by gender is shown in table 1. Majority of the sample are female.

Table 1: Number of respondents by gender groups in the sample

Gender	Number	Percentage
Female	76	70
Male	32	30
Total	108	100

Source: Primary-survey data

The distribution of respondents by age is given in table 2. Majority of the respondents are from the age of 25 years to 35 years

Table 2 : Number of respondents by age group in the sample.

Age Distribution	Number	Percentage
Below 18 years	4	4
18 to 25	12	11
25 to 35	44	41
35 to 45 years	38	35
45 years and above	10	9
Total	108	100

Source: Primary-survey data

The distribution of respondents by marital status is given in table 3. Majority of the respondents are married.

Table 3 : Number of respondents by marital status in the sample.

Marital Status	Number	Percentage
Married	76	70
Not Married	32	30
Total	108	100

Source: Primary-survey data

The distribution of respondents by income is given in table 4. Majority of the respondents are married.

Table 4 : Number of the respondents by income group in the sample.

Income Distribution	Number	Percentage
Less than BDT 10,000	12	11
BDT 10,000 to 20,000	22	20
BDT 20,000 to 30,000	48	44
BDT 30,00 to 50,000	14	13
BDT 50,000 to 80,000	8	7
More than BDT 80,000	4	4
Total	108	100

Source: Primary-survey data

VI. FINDINGS OF THE STUDY

The distribution of the brand loyalty of toothpaste users are shown in table 5 .Majority of the toothpaste users are hardcore brand loyal (63%) and switchers are the minority with 9%.

Table 5 : Distribution of brand loyalty of toothpaste users.

Brand Loyalty Level	Number	Percent
Hardcore Brand loyal	68	63
Softcore Brand Loyal	30	28
Switcher	10	9
Didn't influenced	108	100

Source: Primary-survey data

The distribution of the selection of price as a factor of brand loyalty of toothpaste users are shown in table 6 .Majority of the hardcore brand loyal of toothpaste users are not price sensitive.

Table 6: Distribution of selection of price as a factor of brand loyalty.

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	12	56
Softcore Brand Loyal	12	18
Switcher	4	6
Didn't influenced	28	80

Source: Primary-survey data

The distribution of the selection of product features as a factor of brand loyalty of toothpaste users are shown in table 7. Majority of the toothpaste users are product feature sensitive.

Table 7 : Distribution of selection of product features as a factor of brand loyalty

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	66	2
Softcore Brand Loyal	24	6
Switcher	6	4
Didn't influenced	96	12

Source: Primary-survey data

The distribution of the selection of family influence as a factor of brand loyalty of toothpaste users are shown in table 8. In the case of hardcore brand loyals, family influence is very high.

Table 8 : Distribution of selection of family influence as a factor of brand loyalty.

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	52	16
Softcore Brand Loyal	12	18
Switcher	4	6
Didn't influenced	68	40

Source: Primary-survey data

The distribution of the selection of product availability on local stores as a factor of brand loyalty of toothpaste users are shown in table 9 . All the toothpaste users are really affected by the availability of the toothpaste in local stores.

Table 9 : Distribution of selection of product availability as a factor of brand loyalty.

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	28	40
Softcore Brand Loyal	30	0
Switcher	10	0
Didn't influenced	68	40

Source: Primary-survey data

The distribution of the selection of sales promotion (price off /extra offer) as a factor of brand loyalty of toothpaste users are shown in table 10.

Table 10: Distribution of selection of sales promotion as a factor of brand loyalty.

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	4	64
Softcore Brand Loyal	20	10
Switcher	10	0
Didn't influenced	34	74

Source: Primary-survey data

If we look closely , for switchers , they are 100% influenced by the sales promotions. On the other hand, two third softcore brand loyals are influenced by sales promotion . And among 34 hardcore brand loyals , only 2 are interested in sales promotion. The distribution of the selection of advertisements as a factor of brand loyalty of toothpaste users are shown in table 11.

Table 11: Distribution of selection of advertisement as a factor of brand loyalty.

Brand Loyalty Level	Selected	Not Selected
Hardcore Brand Loyal	22	46
Softcore Brand Loyal	14	16
Switcher	0	10
Didn't influenced	36	72

Source: Primary-survey data

We can find an interesting finding here. According to the survey, switchers are less interested in advertisements.

VII. TESTING OF HYPOTHESIS

The hypothesis testing was done using chi square distribution. The level of significance used here is 0.5.

H1: Product features of toothpaste do not affect brand loyalty.

This hypothesis is tested using chi-square test of independence.

Table 12: Analysing the relationship between product features and brand loyalty.

H0: Product features of toothpaste do not affect brand loyalty	Chi-squared value from data	Degree of freedom	Chi-squared value from chart
	7.722794	2	5.991

Since it is a test of independence, and the chi squared value from the calculation of data is more than the chi squared value from the chart at selected level of significance ($\alpha = .05$).

So, we can reject the null hypothesis. It can be concluded that, product features of toothpaste affects brand loyalty.

H2: Sales Promotion activities do not affect brand loyalty.

This hypothesis is tested using Chi- squared test of independence.

Table 13: Analysing the relationship between sales promotion and brand loyalty.

H0: Sales promotion activities do not affect brand loyalty	Chi-squared value from data	Degree of freedom	Chi squared value from chart
	29.82004	2	5.991

Since it is test of independence, and the chi squared value from the calculation of data is more than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we can reject the null hypothesis. It can be concluded that, sales promotion of toothpaste affects brand loyalty.

H3 : Advertisements do not affect brand loyalty.

This hypothesis is tested using Chi-square test of independence.

Table 14: Analysing the relationship between advertisement and brand loyalty.

H0: Advertisements do not affect brand loyalty.	Chi squared value from data	Degree of freedom	Chi squared value from chart
	3.7147	2	5.991

Since it is a test of independence , and the chi squared value from the calculation of data is less than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we cannot reject the null hypothesis. It can be concluded that , advertisement of toothpaste does not affect brand loyalty.

H4: Family influence do not affect buying decision of toothpaste.

This hypothesis is tested using Chi square test of independence.

Table 15 : Aalysing the relationship between family influence amd brand loyalty.

H0 :Family influence do not affect buying decision of toothpaste.	Chi square value from data	Degree of freedom	Chi-squard value from chart
	7.1825	2	5.991

Since it is a test of independence, and the chi squared value from the calculation of data is more than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we reject the null hypothesis .It can be concluded that, family influence affects brand loyalty of toothpaste.

H5: Availability of toothpaste does not affect brand loyalty.

This hypothesis is tested using Chi-square test of independence.

Table 16: Analysing the relationship between Availability of toothpaste and brand loyalty

Ho: Availability of toothpaste does not affect brand loyalty.	Chi-squared value from data	Degree of freedom	Chi-squared value from chart
	18.61582	2	5.991

Since it is a test of independence, and the chi squared value from the calculation of data is more than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we reject the null hypothesis .It can be concluded that, availability of toothpaste affects brand loyalty.

H6: Price does not affect brand loyalty.

This hypothesis is tested using Ch-square test of independence.

Table 17 : Analysing the relationship between price and brand loyalty

H0 :Price does not affect brand loyalty.	Chi-squared value from data	Degree of freedom	Chi-squared value from chart
	3.2763	2	5.991

Since it is a test of independence, and the chi squared value from the calculation of data is less than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we cannot reject the null hypothesis .It can be concluded that, the price of toothpaste does not affect brand loyalty.

H7: Brand name of toothpaste affects brand loyalty.

This hypothesis is tested using Chi-squared test of independence.

Table 18: Analysing the relationship between brand name and brand loyalty.

H0: Brand name does not affect brand loyalty.	Chi-squared value from data	Degree of freedom	Chi-squared value from chart.
	17.68889	2	5.991

Since it is a test of independence, and the chi squared value from the calculation of data is more than the chi squared value from the chart at selected level of significance ($\alpha = .05$)

So, we reject the null hypothesis .It can be concluded that, the brand name of toothpaste affects brand loyalty.

From the test of hypothesis it is seen that among seven null hypothesis, five are rejected and two are not. It means among seven estimated factors, brand loyalty have dependency with five of them.

The factors that affect brand loyalty are-

1. Product features
2. Sales Promotion
3. Availability
4. Family influence and
5. Brand name.

The factors that do not affect brand loyalty are –

1. Advertisement , and
2. Price

VII. DISCUSSION AND CONCLUSION

a) Discussion

Majority (63%) of the toothpaste users are brand loyal. They buy toothpaste on the basis of product features including color, fragrance, skin care ,or germ fight features. People are very much less sensitive to price. So, brand loyalty does not affected much by price. Less than 26% customer selected price as a factor.

If we look at the family influence by elderly persons or kids, 62.96% of the consumers influenced by the family members to use their toothpaste brands. Similarly, 75% of the customers are influenced by the brand name of toothpaste.

If we look at the availability, this is very important factor. More than 62% customers are affected by the availability of toothpaste in the local stores.

For sales promotion, hardcore brand loyals are very less interested in sales promotion while softcore brand loyals and swichers are very much interested. Interestingly advertisements have no significant effect on brand loyalty.

In the case of availability 1005 of softcorebrand loyals and swiches have selected this issue as a very important factor. They think if the toothpaste are not available they will choose any other brands without any consideration.

The hypothesis was developed based on previous research done on other countries related to brand loyalty of different products. Two of the null hypotheses were not rejected. From hypotheses testing it is proven that Brand loyalty varies on five factors. Such as, product features, sales promotion availability of toothpaste in the local stores, family influence and brand name.

In consuming toothpaste people are influenced by family members, product features or availability of toothpaste in the local stores. Toothpaste users are not price sensitive and at the same time they are not advertisement sensitive.

b) Conclusion

No previous research on brand loyalty of toothpaste consumers have been done in the context of Haryana. So, it will definitely give brand loyalty of toothpaste uses in Haryana. They can use this research for other fast moving consumer goods to find out the factors that affect brand loyalty. Marketers place a huge importance in determining the factors that affect brand loyalty of toothpaste. The results of this study will provide the local companies to understand their target markets better and carry out specific market research and promotional activities aimed at them. Future research can be done on the following topics as a continuation of this work. Direct and indirect influence of factors affecting brand loyalty of toothpaste in Haryana is conducted here, the scope of the research can be extended to national or international level. Five factors affecting brand loyalty of toothpaste users have been identified. This research can be extended to find out more socio-economic factors in the case of brand loyalty of toothpaste users. This research can be extended to broad fast moving consumer goods category.

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